

**DEPARTMENT OF FOOD AND AGRICULTURE**

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William (Bill) J. Lyons, Jr., Secretary



July 31, 2002

**RE: ANNOUNCEMENT OF MINIMUM CLASSES 2, 3, 4a and 4b PRICES FOR MARKET MILK**

TO ALL INTERESTED PARTIES:

On the reverse side of this page are the minimum prices for Classes 2, 3, 4a and 4b market milk for July, August and September 2002. All prices are f.o.b. milk processing plant. As provided in the Stabilization and Marketing Plans for Market Milk (Plans), milk handlers shall pay producers the minimum prices for market milk components sold or used for all Classes 2, 3, 4a and 4b purposes as specified on the reverse side of this page.

If market milk components are purchased f.o.b. producer's dairy location, haul deductions may be made as provided in the Plans.

Equivalent hundredweight prices shown in the right-hand column are based upon milk that is 3.5% fat and 8.7% solids-not-fat (SNF). These classified minimum prices that processors must pay for milk received from producers are calculated based upon mathematical formulas. The formulas are established and amended as needed through a public hearing process. These formulas include commercial prices for manufactured dairy products (butter, Cheddar cheese and nonfat dry milk). These commercial prices are also listed on the reverse side of this page.

This price information is also available on a recorded message. Please call (800) 503-3490 to hear the recording. If you are calling from Sacramento, or from outside of California, please call (916) 442-MILK. You can also access this information over the Internet on the Department's Homepage. The address is <http://www.cdfa.ca.gov/dairy>. From the Homepage, select [Prices] from the Shortcuts sidebar. Once there, be sure to make a bookmark for future reference.

For more information, please contact us at the numbers above or e-mail us at [dairy@cdfa.ca.gov](mailto:dairy@cdfa.ca.gov).

Sincerely,

David K. Ikari, Chief  
Dairy Marketing Branch

**MINIMUM PRICES FOR CLASSES 2, 3, 4a & 4b MARKET MILK  
F.O.B. PROCESSING PLANT**

Released: **July 31, 2002**

<b>CLASS 2:</b> <b>For August and September, 2002</b>	<b>LB. FAT</b>	<b>LB. SNF</b>	<b>EQUIVALENT PER CWT.</b>
Northern California	\$1.1102	\$0.7983	\$10.83
Southern California	\$1.1125	\$0.8241	\$11.06

<b>CLASS 3:</b> <b>For August and September, 2002</b>	<b>LB. FAT</b>	<b>LB. SNF</b>	<b>EQUIVALENT PER CWT.</b>
Northern California	\$1.1102	\$0.7926	\$10.78
Southern California	\$1.1125	\$0.7926	\$10.79

<b>CLASS 4a:</b> <b>For July 2002</b>	<b>LB. FAT</b>	<b>LB. SNF</b>	<b>EQUIVALENT PER CWT.</b>
Statewide	\$1.0548	\$0.7309	\$10.05

<b>CLASS 4b:</b> <b>For July, 2002</b>	<b>LB. FAT</b>	<b>LB. SNF</b>	<b>EQUIVALENT PER CWT.</b>
Statewide	\$1.0548	\$0.5987	\$8.90

<b>COMMODITY MARKET PRICES:</b>	<b>\$ PER LB.</b>
Chicago Mercantile Exchange Grade AA Butter - Daily Simple Average (June 26th - July 25th)	\$1.0260
Chicago Mercantile Exchange Block Cheddar Cheese - Daily Simple Average (June 26th - July 25th)	\$1.0764
California Extra Grade & Grade A Nonfat Dry Milk - Monthly Weighted Average (June 26th - July 25th)	\$0.8993

September 2002 Class 1 price will be announced no later than 4:00 p.m. on August 9, 2002.

August Class 4a and 4b prices will be announced no later than 4:00 p.m. on September 3, 2002

October & November 2002 Class 2 and 3 prices will be announced no later than 4:00 p.m. on October 1, 2002